

ASSEMBLY BILL

No. 1329

**Introduced by Assembly Member Patterson
(Coauthor: Assembly Member Chávez)**

February 27, 2015

An act to add Section 17053.1 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1329, as introduced, Patterson. Personal Income Tax Law: credit: fuel management activities.

The Personal Income Tax Law allows various credits against the taxes imposed by that law.

This bill, for taxable years beginning on or after January 1, 2016, would allow a credit under that law in an amount equal to 25% of the amounts paid or incurred by a qualified taxpayer, not to exceed a specified amount, during the taxable year for fuel management activities, as defined, performed on qualified real property owned by the qualified taxpayer.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 17053.1 is added to the Revenue and
- 2 Taxation Code, to read:
- 3 17053.1. (a) For taxable years beginning on or after January
- 4 1, 2016, there shall be allowed a credit against the "net tax," as

1 defined by Section 17039, in an amount equal to 25 percent of the
2 amounts paid or incurred by a qualified taxpayer during the taxable
3 year for fuel management activities performed on qualified real
4 property, subject to subdivision (c).

5 (b) For the purposes of this section, the following definitions
6 shall apply:

7 (1) “Defensible space” means the area adjacent to a structure
8 or dwelling where wildfire prevention or protection practices are
9 implemented to provide defense from an approaching wildfire or
10 to minimize the spread of a structure fire to wildlands or
11 surrounding areas.

12 (2) “Fuel management activities” means the creation of a
13 defensible space around structures, the establishment of fuel breaks,
14 the thinning of woody vegetation for the primary purpose of
15 reducing risk to structures from wildfire, or the secondary treatment
16 of woody fuel by looping, scattering, piling, chipping, removing
17 from the site, or prescribed burning, provided these activities meet
18 or exceed the requirements of the 2015 California Forest Practice
19 Rules.

20 (3) “Hazardous fire area” has the same meaning as that term is
21 defined in Section 4251 of the Public Resources Code.

22 (4) “Qualified real property” means real property that is located
23 within a hazardous fire area or a very high fire hazard severity
24 zone in this state.

25 (5) “Qualified taxpayer” means a taxpayer who owns qualified
26 real property. A taxpayer who owns a share of qualified real
27 property may be allowed a share of the credit based on the
28 taxpayer’s share of the qualified costs.

29 (6) “Wildfire” means an unplanned, unwanted wildland fire,
30 including unauthorized human-caused fires, escaped wildland fire
31 use events, escaped prescribed fire projects, and all other wildland
32 fires where the objective is to extinguish the fire. .

33 (7) “Very high fire hazard severity zone” has the same meaning
34 as that term is defined in subdivision (i) of Section 51177 of the
35 Government Code.

36 (c) The amount of the credit allowed by this section shall not
37 exceed the lesser of two thousand five hundred dollars (\$2,500)
38 per qualified taxpayer per taxable year or 50 percent of a qualified
39 taxpayer’s total tax for that year.

1 (d) A deduction shall not be allowed under this part for any
2 amount paid or incurred for which a credit is allowed by this
3 section.

4 (e) The Franchise Tax Board shall establish a procedure to verify
5 that the amount was paid or incurred by the qualified taxpayer for
6 fuel management activities on qualified property.

7 (f) It is the intent of the Legislature to enact legislation to comply
8 with the requirements of Section 41.

9 SEC. 2. This act provides for a tax levy within the meaning
10 of Article IV of the Constitution and shall go into immediate effect.